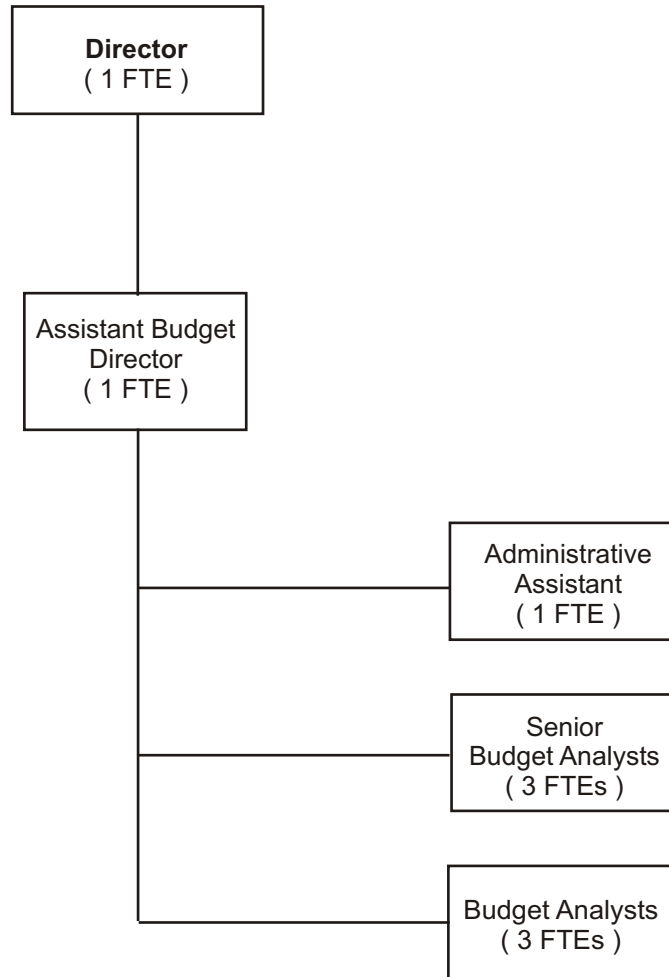




## Budget & Management Services

(9 FTEs)



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## BUDGET AND MANAGEMENT SERVICES

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### Mission:

To inform and enhance management and City Council decision-making, ensuring the accountability of all City funds while evaluating and recommending the best use of public resources.

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### PROGRAM DESCRIPTIONS

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#### Budget and Management Operations

**\$706,219**

**9 FTEs**

The department is primarily responsible for preparing the operating budget and five-year revenue/expenditure projections for all City government services. Staff will lead operational and organizational studies as identified by the City Council, City Manager's Office, department staff, and budget staff.

The department is primarily responsible for preparing the Capital Improvement Plan (CIP) and coordinating the City's process for petition and City-initiated annexations. Staff will lead the effort to establish and maintain the City's strategic plan. Additionally, staff will be responsible for conducting citizen surveys and evaluating departmental achievement of City goals and objectives.

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### RESOURCE ALLOCATION

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	Actual FY2001-02	Adopted FY2002-03	Estimated FY2002-03	Adopted FY2003-04	Change
Appropriations					
Personal Services	\$ 374,208	\$ 457,901	\$ 433,092	\$ 616,219	34.57%
Operating	96,964	124,163	93,085	84,000	-32.35%
Capital	1,685	-	-	6,000	
Total Appropriations	\$ 472,857	\$ 582,064	\$ 526,177	\$ 706,219	21.33%
Full Time Equivalents	7	7	7	9	2
Part Time	-	-	-	-	-
Revenues					
General Fund					
Discretionary	\$ 390,857	\$ 475,091	\$ 419,204	\$ 595,219	25.29%
Program	82,000	106,973	106,973	111,000	3.76%
Total Revenues	\$ 472,857	\$ 582,064	\$ 526,177	\$ 706,219	21.33%

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### BUDGET ISSUES FOR FY 2003-04

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- A new Senior Budget Analyst will be funded effective October 2003 to coordinate the City's Capital Improvement Planning.
- The Managed Competition Citizens Committee will continue to receive staffing support from the City. A new Senior Budget Analyst will be hired effective January 2004 to support the Committee.
- In order to reduce expenses, fewer budget books will be printed, however the documents will be made available on the Internet and on CD.

- Funding for the Citizens' Satisfaction Survey is included in the budget in alternate years; funding is not currently included in FY 2003-04 budget, although the survey should be conducted in 2004.
- Budget and Management Services experienced 75% turnover in FY 2002-03. The FY 2003-04 budget includes full year salaries for the staff, as well as a small increase in training resources to enable the staff to function at a professional level.

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#### **UNFUNDED ITEMS**

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• Citizen Survey	\$43,000
• Full time non-city agency staff (1 FTE)	\$60,000
• Comprehensive Water & Sewer Rate Study	\$115,000

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#### **COMPLETED INITIATIVES FOR FY 2002-2003**

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- The FY 2002-2003 Budget received the Distinguished Budget Document award from the Government Finance Officers Association. This is the 12th consecutive year that the City has received this award.
- The department led the City's participation in the statewide benchmarking project conducted by the Institute of Government. Comparative financial and performance data for FY 2001-02 was compiled for Police, Solid Waste Collections, Street Maintenance, Fire Service and Inspections. BMS staff was also integrally involved in the City's Performance Measurement Task Team to audit the City's performance measurement system and implement improvements to it.
- BMS staff oversaw the completion of the 2002 Citizen Satisfaction Survey.
- The department supports the Managed Competition Initiative, a citywide effort to research, analyze and implement highly efficient, competitive and cost-effective service delivery.
- The department coordinated Coffees with Council, an effort to solicit feedback from Durham residents concerns regarding budgetary requests for the upcoming fiscal year.
- BMS staff processed 25 petitioned annexation requests.
- BMS Staff created a new Non-City Agency grant application and monitoring process to increase financial and programmatic integrity of the grant program.
- BMS Staff coordinated a major update of the Water & Sewer Rate model.
- On May 19, 2003, the City Manager presented her Recommended Budget for FY 2003-04 and Capital Improvement Plan for FY 2004-FY 2009.
- Addressed 75% turnover in department by hiring a permanent Director, Assistant Director and three analysts.

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#### **DEPARTMENT INITIATIVES FOR FY 2003-2004**

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- Fully update the Capital Improvement Plan
- Continue progress with Managed Competition Initiative
- Implement restructured Non-City Agency grant monitoring process
- Provide regular Financial Updates to the City Manager and Council
- Enhance cost-benefit analysis of voluntary annexations.
- Enhance use of BRASS budgeting system

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**GOALS, OBJECTIVES & STRATEGIES FOR FY 03-04**

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**GOAL:** *To ensure the City's financial health and the provision of quality services in accordance with the City Council's Community Goals.*

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**OBJECTIVE:** To project General Fund discretionary revenues to within 1% of actual revenues received.

**STRATEGY:** Budget staff will work with others, such as the Chamber of Commerce, the League of Municipalities, other City Departments, and the Durham County Tax Office to ensure that the information needed to make projections is available and updated on a routine basis.

<b>MEASURE:</b>	<b>Actual FY 2002</b>	<b>Adopted FY 2003</b>	<b>Estimated FY 2003</b>	<b>Adopted FY 2004</b>
Accuracy of General Fund revenue projection	+1%	+1%	-4%	±1%

**GOAL:** *To improve management and Council decision-making through fiscally and programmatically sound recommendations.*

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**OBJECTIVE:** To provide timely and accurate reports to the City Manager and the City Council to support decision-making and to disclose significant issues affecting the City's current and future financial position.

**STRATEGY:** To provide quarterly financial reports to the City Manager and City Council.

<b>MEASURE:</b>	<b>Actual FY 2002</b>	<b>Adopted FY 2003</b>	<b>Estimated FY 2003</b>	<b>Adopted FY 2004</b>
% of reports issued on schedule	N/A	N/A	100%	100%